X-pand into the Future

eurex *circular 263/12*

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Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
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Costco Wholesale Corporation: Extraordinary dividend

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Content may be most important for:

Ü Front Office/Trading
Ü Middle + Backoffice
Ü Auditing/Security Coordination

Attachments:

none

Summary:

On 28 November 2012, the company Costco Wholesale Corporation announced payment of an extraordinary dividend of USD 7.00 per share.

The extraordinary dividend will result in an adjustment of the Eurex stock futures contract on shares of Costco Wholesale Corporation (COSF).

Ex date will be **6 December 2012**.

This circular contains a description of the adjustment procedure.

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Costco Wholesale Corporation: Extraordinary dividend

Measure:
Distribution of extraordinary dividend of USD 7.00 on shares of the company Costco Wholesale Corporation

Last cum trading day:
5 December 2012

Ex date:
6 December 2012

Affected product:
COSF

Reference to underlying Rules & Regulations:
Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Section 1.6.7 (2).

Adjustment of ISIN:
The ISIN of the Costco Wholesale Corporation share (US22160K1051) will remain unchanged.

Procedure:

1. Determination of adjustment factor (R-factor)

The settlement price of the Costco Wholesale Corporation share on the last cum trading day will be the basis for determination of the R-factor.

S1	Settlement price of the Costco Wholesale Corporation share
S2	S1 minus extraordinary dividend
R-factor	S2 / S1

2. Adjustment of contract size and variation margin

To adjust the calculation of the variation margin of the following exchange trading day, settlement prices of the last cum trading day will be multiplied by the R-factor.

The new contract size will be calculated as follows:

Contract size new = contract size old / R-factor

All outstanding orders and quotes will be deleted after close of trading on the last cum trading day.

The adjustment also refers to existing positions in OTC Flexible Futures.

3. Introduction of a new contract

A new contract on Costco Wholesale Corporation shares will be introduced with standard contract size 100 and new product code COSG.

The exact date of introduction will be published in a separate Eurex circular.

As soon as the new contract is available for trading and there are no more series with open interest in the original contract on shares of Costco Wholesale Corporation (COSF), trading in this contract will be put on “HALT” and finally discontinued.

Furthermore, as of 6 December 2012, no new contract months will be introduced in the original contract (COSF). Existing contract months without open interest will be suspended from trading.

If there is no open interest on the last cum trading day after close of trading in the original contract on Costco Wholesale Corporation (COSF), no adjustment will be made and no new contract will be introduced.

3 December 2012